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| APPLICATION NO. | FILING DATE | FIRST NAMED INVENTOR   | ATTORNEY DOCKET NO. | CONFIRMATION NO. |
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| 09/365,748      | 08/03/1999  | MICHAEL DAVID BEDNAREK | MDB-1               | 2195             |

7590 04/24/2003

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EXAMINER

JANVIER, JEAN D

ART UNIT

PAPER NUMBER

3622

DATE MAILED: 04/24/2003

Please find below and/or attached an Office communication concerning this application or proceeding.

**Office Action Summary**

Application No.

09/365,748

Applicant(s)

BEDNAREK, MICHAEL DAVID

Examiner

Jean D Janvier

Art Unit

3622

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

**Period for Reply**

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133).
- Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

**Status**

- 1) ☒ Responsive to communication(s) filed on 31 January 2003.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

**Disposition of Claims**

- 4) ☒ Claim(s) 58-77 is/are pending in the application.
- 4a) Of the above claim(s) 38-57 is/are ~~withdrawn from~~ **CANCELED** consideration.
- 5) ☐ Claim(s) \_\_\_\_\_ is/are allowed.
- 6) ☒ Claim(s) 58-77 is/are rejected.
- 7) ☐ Claim(s) \_\_\_\_\_ is/are objected to.
- 8) ☐ Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

**Application Papers**

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on \_\_\_\_\_ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.  
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
- 11) ☐ The proposed drawing correction filed on \_\_\_\_\_ is: a) ☐ approved b) ☐ disapproved by the Examiner.  
If approved, corrected drawings are required in reply to this Office action.
- 12) ☐ The oath or declaration is objected to by the Examiner.

**Priority under 35 U.S.C. §§ 119 and 120**

- 13) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).  
a) ☐ All b) ☐ Some \* c) ☐ None of:  
1. ☐ Certified copies of the priority documents have been received.  
2. ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.  
3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).  
\* See the attached detailed Office action for a list of the certified copies not received.
- 14) ☐ Acknowledgment is made of a claim for domestic priority under 35 U.S.C. § 119(e) (to a provisional application).  
a) ☐ The translation of the foreign language provisional application has been received.
- 15) ☐ Acknowledgment is made of a claim for domestic priority under 35 U.S.C. §§ 120 and/or 121.

**Attachment(s)**

- 1) ☒ Notice of References Cited (PTO-892) 4) ☐ Interview Summary (PTO-413) Paper No(s). \_\_\_\_\_
- 2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948) 5) ☐ Notice of Informal Patent Application (PTO-152)
- 3) ☐ Information Disclosure Statement(s) (PTO-1449) Paper No(s) \_\_\_\_\_ 6) ☐ Other: \_\_\_\_\_

***Response to Amendment***

The Examiner approves the amendments made to the claimed invention. Furthermore, the amendments made to claims 67 and its dependent claims do not render the claims patentable over the prior, as seen below, and therefore, the Examiner has withdrawn the allowable subject matter.

**DETAILED ACTION**

***Specification***

**Status of the claims**

Claims 38-57 were canceled and claims 58-77 were added. Claims 58-77 are now pending in the Instant Application.

***Claim Rejections - 35 USC § 101***

35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

Claims 67-73 and 74-77 are rejected under 35 U.S.C. 101 because the claimed invention is directed to a non-statutory subject matter. For example, the process or steps disclosed in independent claim 67 can not yield to a concrete, useful and tangible result since the steps as recited in the claim pertain to a manual process and therefore, the claims (67-73) do not fall

within the technological art. The steps, as recited in claim 67, need to be automated or a computer implementation of the steps or process is necessary. The same remarks hold true for claim 74 (claims 74-77).

***Claim Rejections - 35 USC § 112***

The following is a quotation of the second paragraph of 35 U.S.C. 112:

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter, which the applicant regards as his invention.

Regarding claims 75-77, "... the second incentive program ... ", lines 1, lacks proper antecedent basis. For examiner purpose, the Examiner assumes that the Applicant meant to refer to --... the incentive program...--.

Regarding claim 67 (and dependent claims 68-73), "... the program ... ", line 3, lacks proper antecedent basis. For examiner purpose, the Examiner assumes that the Applicant meant to refer to --... the first program...--.

Regarding claim 67 (and dependent claims 68-73), the limitation "... allow one to determine...", in line 12, renders the claims indefinite. This language is more appropriate for a manual process and not suitable for a computer-implemented method. See MPEP § 2173.05(d).

***Claim Rejections - 35 USC § 102***

The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless –

(e) the invention was described in a patent granted on an application for patent by another filed in the United States before the invention thereof by the applicant for patent, or on an international application by another who has fulfilled the requirements of paragraphs (1), (2), and (4) of section 371(c) of this title before the invention thereof by the applicant for patent.

The changes made to 35 U.S.C. 102(e) by the American Inventors Protection Act of 1999 (AIPA) do not apply to the examination of this application as the application being examined was not (1) filed on or after November 29, 2000, or (2) voluntarily published under 35 U.S.C. 122(b). Therefore, this application is examined under 35 U.S.C. 102(e) prior to the amendment by the AIPA (pre-AIPA 35 U.S.C. 102(e)).

Claims 58-62, 67-73 and 74-77 are rejected under 35 U.S.C. 102(e) as being anticipated by Ikeda et al. (hereinafter Ikeda), US Patent 5,937,391A.

As per claims 58, 67 and 74, Ikeda discloses a point-service system (incentive reward program) for issuing points to a customer for purchases made at various stores or shops within an online shopping mall (first reward program) comprising a points issuing unit 1 of fig. 1 for issuing points based on purchase amounts of the customer or participant (col. 3: 52-53), a points management unit 2 of fig. 2 for storing the points (total points or base points) accumulated by the customer and a points redeeming unit 3 of fig. 1 for reducing a purchase amount of the customer upon redeeming points at any participating store within the mall. This system shortens the time from issuing points to redeeming points. In one embodiment, Ikeda discloses a service system

wherein a specific customer makes a request to buy goods (participant's action) from a home page of an online shopping mall and in response to this request, the service system causes the number of effective points (base points) accumulated by the customer and issued by a plurality of shops for each purchase made at each respective shop to be displayed on the customer's terminal or participant's unit, subsequent to identifying the customer or participant using the customer's or participant's ID, by referring to the data of each shop forming part of the online shopping mall. If the customer still decides to order a product (participant's action), he can click on a shopping button associated with one of the displayed shops to subsequently access an order button and, hence, the point-service system or service system linked to a web server of the online shopping mall is activated to issue points or redeem points at the customer's request or instructions when he inputs an order (see abstract; col. 2: 10-67; figs. 1-19). It is to be understood that a customer can explicitly or implicitly make a request from the point-service system to buy a product from a participating shop, redeem points or simply query the point-service system database for the effective points (base points) accumulated to date (col. 5: 22-38; col. 4: 34-40; col. 10: 55 to col. 11: 3).

Moreover, the points issuing unit issues points based on the purchase amount of a customer or participant at an online shopping mall. The point issuing unit issues points based upon, for example, input information such as the name of the shop and the purchase amount and the points issue ratio set for each shop. For example, the points issue ratio is indicative of how many points are issued when a customer or participant spends 100 Yen at a shop (1 point for every 100 Yen spent). The points issue ratio can also be set to a value larger than a normal value in a special campaign period such as an end-of-year sales period (col. 2: 28-37).

In addition, a points redeeming ratio performs a points redeeming process by reducing the purchase amount for a particular customer or participant during a transaction at a specific shop, based on the number of total points (base points or effective points) accumulated thus far throughout the system or at that shop, wherein the customer or participant chooses to redeem some of his points (base points) at the specific shop and wherein each participating shop has a different points redeeming ratio (providing a second reward program that assigns a redemption rate for a customer's transaction based on the redemption points ratio available at the shop, wherein the customer's program points are functions of the effective or base points issued and the redemption points ratio set for the shop). For example, shop A of fig. 9 reduces during a certain period of time the customer's purchase by 1 Yen for every 1 point redeemed, hence a 1:1 ratio or redemption rate. Like the points issue ratio, the points redeeming ratio or redemption rate for a specific period, such as an end-of-year sales campaign, can be set to a value higher than a normal period (increasing or adjusting or providing a higher redemption points ratio or redemption rate to the customer if the customer performs an action such as purchasing products at a shop participating in the end-of-year sales campaign). For instance, 10, 000- 2 indicates that the points issue ratio will double when the number of accumulated points reaches 10,000 points (2 points for every 100 Yen spent upon reaching 10, 000 effective or base points). Further, the point redemption ratio or rate for shop F, during a specific period of time, doubles that of the other shops, thus a 2:1 ratio (2 Yen for every 1 point redeemed) (col. 2: 38-64; col. 3: 62-67; col. 8: 1-23; col. 9: 55 to col. 10: 2). In other words, each specific shop issues points to a customer or redeems the customer's effective points (base points) during a purchase transaction in accordance with the points issue ratio and points redemption ratio set for each specific shop

during a specific period of time. **In short, a customer can be allowed special services if he buys goods at the same shop (performing an action), for example shop A, by setting the points redeemed ratio or point redemption rate for the customer or participant higher than the common points redeeming ratio of the online shopping mall (adjusting the customer's or participant's redemption rate when he performs an action such as patronizing the same shop).** Here, it is to be understood that two customers redeeming the same number of effective points or total accumulated points or base points (**action points**) during a purchase transaction (performing the same action) at the same shop or shop A will be assigned two different redemption rates. One customer will receive a standard redemption rate and the other a higher redemption rate for being a loyal customer (col. 11: 50-53).

(Col. 6: 29-38; col. 10: 16-30; col. 10: 55: to col. 11: 62; col. 11: 63 to col. 12: 20; col. 13: 28-32; figs. 6, 9 and 14-15).

As per claims 59-62 and 71-73, 68-70 and 75-77, Ikeda discloses a point-service system (incentive reward program) for issuing points to a customer for purchases made at various stores or shops within an online shopping mall (first reward program) comprising a points issuing unit 1 of fig. 1 for issuing points based on purchase amounts of the customer or participant (col. 3: 52-53), a points management unit 2 of fig. 2 for storing the points (total points or base points) accumulated by the customer and a points redeeming unit 3 of fig. 1 for reducing a purchase amount of the customer upon redeeming points at any participating store within the mall. This system shortens the time from issuing points to redeeming points. In one embodiment, Ikeda discloses a service system wherein a specific customer makes a request to buy goods



(participant's action) from a home page of an online shopping mall and in response to this request, the service system causes the number of effective points (base points) accumulated by the customer and issued by a plurality of shops for each purchase made at each respective shop to be displayed on the customer's terminal or participant's unit, subsequent to identifying the customer or participant using the customer's or participant's ID, by referring to the data of each shop forming part of the online shopping mall. If the customer still decides to order a product (participant's action), he can click on a shopping button associated with one of the displayed shops to subsequently access an order button and. hence, the point-service system or service system linked to a web server of the online shopping mall is activated to issue points or redeem points at the customer's request or instructions when he inputs an order (see abstract; col. 2: 10-67; figs. 1-19). It is to be understood that a customer can explicitly or implicitly make a request from the point-service system to buy a product from a participating shop, redeem points or simply query the point-service system database for the effective points (base points) accumulated to date (col. 5: 22-38; col. 4: 34-40; col. 10: 55 to col. 11: 3).

Moreover, the points issuing unit issues points based on the purchase amount of a customer or participant at an online shopping mall. The point issuing unit issues points based upon, for example, input information such as the name of the shop and the purchase amount and the points issue ratio set for each shop. For example, the points issue ratio is indicative of how many points are issued when a customer or participant spends 100 Yen at a shop (1 point for every 100 Yen spent). The points issue ratio can also be set to a value larger than a normal value in a special campaign period such as an end-of-year sales period (col. 2: 28-37).

In addition, a points redeeming ratio performs a points redeeming process by reducing the purchase amount for a particular customer or participant during a transaction at a specific shop, based on the number of total points (base points or effective points) accumulated thus far throughout the system or at that shop, wherein the customer or participant chooses to redeem some of his points (base points) at the specific shop and wherein each participating shop has a different points redeeming ratio (providing a second reward program that assigns a redemption rate for a customer's transaction based on the redemption points ratio available at the shop, wherein the customer's program points are functions of the effective or base points issued and the redemption points ratio set for the shop). For example, shop A of fig. 9 reduces during a certain period of time the customer's purchase by 1 Yen for every 1 point redeemed, hence a 1:1 ratio or redemption rate. Like the points issue ratio, the points redeeming ratio or redemption rate for a specific period, such as an end-of-year sales campaign, can be set to a value higher than a normal period (increasing or adjusting or providing a higher redemption points ratio or redemption rate to the customer if the customer performs an action such as purchasing products at a shop participating in the end-of-year sales campaign). For instance, 10, 000- 2 indicates that the points issue ratio will double when the number of accumulated points reaches 10,000 points (2 points for every 100 Yen spent upon reaching 10, 000 effective or base points). Further, the point redemption ratio or rate for shop F, during a specific period of time, doubles that of the other shops, thus a 2:1 ratio (2 Yen for every 1 point redeemed) (col. 2: 38-64; col. 3: 62-67; col. 8: 1-23; col. 9: 55 to col. 10: 2). In other words, each specific shop issues points to a customer or redeems the customer's effective points (base points) during a purchase transaction in accordance with the points issue ratio and points redemption ratio set for each specific shop

during a specific period of time. **In short, a customer can be allowed special services if he buys goods at the same shop (performing an action) by setting the points redeemed ratio or point redemption rate for the customer or participant higher than the common points redeeming ratio of the online shopping mall (adjusting the customer's or participant's redemption rate when he performs an action such as patronizing the same shop) (col. 11: 50-53).**

(Col. 6: 29-38; col. 10: 16-30; col. 10: 55: to col. 11: 62; col. 11: 63 to col. 12: 20; col. 13: 28-32; figs. 6, 9 and 14-15).

### ***Claim Rejections - 35 USC § 103***

The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

- (a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

Claims 63-66 are rejected under 35 U.S.C. 103(a) as being unpatentable over Ikeda et al. (hereinafter Ikeda), US Patent 5,937,391A in view of Cook et al, US Patent 5,766,075A.

In general, concerning claims 63-66, Ikeda does not suggest using, among other things, the point service system or reward program at a casino.

However, regarding claims 63-64 and 66, Cook et al disclose a bet guarantee system in which a player or patron is guaranteed that at least a minimum amount of money will be returned to the player based upon, among other things, the amount of money lost during an hour or a trip by tracking the player's activities who uses a conventional bar coded card inserted into a casino machine (col. 2: 40) while gambling. During the course of a day, a patron may have many ratings at various gaming machines on a particular floor and thus over the course of a trip, there will be an even larger number of ratings. A player's guarantee bet or reward can be determined, in a number of ways, as the greater of: 1) the patron's loss during the first hour or other time interval of play; 2) a percentage of the casino's total trip theoretical win for that patron; 3) a percentage of the patron's actual losses during the trip, or 4) an arbitrary dollar amount (col. 2: 41-59). It should be understood that other suitable combinations might be used to guarantee a bet coupon to the patron as known in the art (See abstract; Col. 1: 13-55; col. 1: 66 to col. 3: 9).

Therefore, an ordinary skilled artisan would have been motivated at the time of the invention to incorporate Cook et al guarantee bet system into Ikeda's point service system or reward program so as to use the Ikeda's system or more specifically the reward program at a casino facility, whereby a player or patron using his bar coded card can earn credits or points for gambling at the casino facility based upon a number of factors including the patron's or player's loss during the first hour or other time interval of play, a percentage of the casino's total trip

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theoretical win for that patron or player, a percentage of the patron's or player's actual losses during the trip or an arbitrary dollar amount, thereby ensuring, among other things, that a portion of the player's gambling loss is given back to the player while encouraging the player or patron to return to the casino facility to redeem his credits or points or to gamble. By so doing, the casino facility will be able to keep its current customers or players while increasing its revenue.

Claim 65 further recites a computer implemented incentive program applied to a casino gaming, wherein the variable redemption rate is used to provide an auxiliary game pursuant to which a player that has a net positive balance can place an auxiliary bet that, can either increase or decrease the player's credits or points. Nevertheless, the Examiner notes that there is no difference between the auxiliary game as described herein and the game previously mentioned in claims 43 and/or 44. The player or patron may either lose or win money or have his credits or points decrease or increase regardless of the game the player is playing. **Therefore, claim 65 is rejected under a similar rationale as respectively applied to claim 64.**

### **Conclusion**

Although the following references were not used in the Office Action, they were highly considered by the Examiner. Applicants are further directed to consult these references.

US Patent 5,806,045A to Biorge et al. discloses a method and system for allocating and redeeming incentive credits between a portable device and a base device.

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US Patent 6, 142, 371A to Omeda discloses a customer service system having a point value and discount rate.

US Patent 5, 537, 314 to Kanter discloses referral recognition system having a point and discount conversion tables.

US Patent 6,003, 013 to Boushy discloses a casino incentive reward program for providing reward points to a player utilizing casino game machines via a network.

Any inquiry concerning this communication from the Examiner should be directed to Jean D. Janvier, whose telephone number is (703) 308-6287). The aforementioned can normally be reached Monday-Thursday from 10:00AM to 6:00 PM EST. If attempts to reach the Examiner by telephone are unsuccessful, the Examiner's Supervisor, Mr. Eric W. Stamber, can be reached at (703) 305- 8469.

For information on the status of your case, please call the help desk at (703) 308-1113. Further, the following fax numbers can be used, if need be, by the Applicant(s):

After Final- 703-872-9327

Before Final -703-872-9326

Non-Official Draft- 703-746-7240

Customer Service- 703-872-9325

**Please provide support, that is page and line numbers, for any amended or new claim in an effort to help advance prosecution; otherwise any new claim language that is**

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**introduced in an amended or new claim may be considered as new matter, especially if the**

**Application is a Jumbo Application.**

A handwritten signature in black ink, appearing to read "Janvier Jean D.", written in a cursive style.

**Jean D. Janvier**

Patent Examiner

JDJ

4/16/03

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